



# Office of the Secretary of State CFD Fundraising Cash Handling Policy

## Fundraiser Cash Handling

The Washington State Combined Fund Drive (CFD) is the program within Washington State government through which state employees and public agency retirees can make charitable donations to nonprofit organizations. On June 10, 2010, the CFD transferred from the Department of Personnel to the Secretary of State (SOS).

This policy applies to all state agencies and higher education institutions engaged in CFD fundraising activities. It does not apply to funds received from individual employees from payroll deductions or checks written for regular CFD contributions.

References for CFD Authority: RCW (Revised Code of Washington) 41.04.033 through 41.04.039. RCW 41.04.230; RCW 43.01.050, RCW 42.52, and RCW 43.79A.040; Executive Ethics Board Frequently Asked Questions #14-19.

References for Office of Financial Management (OFM) Authority: State Administrative and Accounting Manual (SAAM) 85.50.

### Safeguard CFD Funds

Agencies must establish adequate internal controls over CFD funds and fundraising activities. Suggested controls include:

- Keep cash in a locked and secured location
- Two people count cash and sign off deposit total
- Reconcile fundraiser form(s) to amount of money collected

Refer to SAAM Chapter 20, Internal Control and Auditing, for further information regarding internal controls (<http://www.ofm.wa.gov/policy/20.htm>).

### Deposit CFD Fundraising Receipts Intact (no expenses deducted)

RCW 43.01.050 requires that all moneys collected must be deposited by the preceding day. Therefore, gross receipts, cash, and checks written to the CFD from CFD fundraising activities must be deposited in the State Treasury (account 525) or in an OFM approved local fund by the preceding day (the day following receipt).

- **For cash receipts deposited into the State Treasury:** Deposit receipts into your agency's Account 525 (Washington State Combined Fund Drive Account) by the day following receipt unless you have a waiver approved by the Office of the State Treasurer (OST). A Waiver Request Letter template is available on the CFD website. Please contact the Cash Flow Manager at OST at (360) 902-8906 for further information.
- **For cash receipts deposited into local funds:** Deposit receipts into your OFM approved local fund by the day following receipt unless:
  - A specific written waiver is granted by OFM, or
  - Total cash receipts on hand are under \$500. However, local receipts must be deposited at least weekly.

### Procedure

#### Action by:

#### Action:

Campaign Leader/Coordinator

**Counts and records** CFD fundraising receipts with at least one other person.

**Takes** CFD fundraising receipts to the agency fiscal office to deposit daily.

Agency Fiscal Office Staff

**Deposits intact** all fundraising cash and checks written to the CFD by the next day.

• **For cash receipts deposited into the State Treasury:** Deposit receipts into your agency's Account 525.

• **For cash receipts deposited into local funds:** Deposit receipts into your OFM approved local fund.

### **Do Not Accept Checks Written to a Specific Charity**

The CFD no longer accepts checks written directly to a charity. All checks received during a fundraising event must be payable to the CFD. If you receive a check written to a specific charity, return it to the donor. The donor can send the check directly to the charity or reissue the check payable to the CFD.

### **Transfer Fundraising Receipts to SOS and Submit online Fundraiser Transfer Form One-Time at End of Campaign**

Transfer all fundraising receipts collected during the campaign at the end of your campaign. **Make one transfer only by December 7th.** If you run your campaign or fundraisers outside the fall campaign timeframe, transfer fundraising receipts and submit the online Fundraiser Transfer to the SOS quarterly.

All fundraiser receipts transferred to the SOS must be entered in the online Fundraiser Transfer. Funds will be directed to the CFD non-specified account and distributed proportionately to all charities receiving funds if your agency does not follow this process. Note: money collected for fundraisers by credit card online will be reported separately. See Section 1.B for further instructions.

Funds may be transferred via the following methods:

- Journal Voucher (agency 085, account 525)
- Warrant
- EFT
- Inter-agency Payment (IAP) (use SWV 0006746-04)

If you have questions about how to submit Fundraisers please contact the state CFD office at 704-7144 or by email at [CFD@sos.wa.gov](mailto:CFD@sos.wa.gov).

## ***CFD Reimbursement Process***

State agencies may pay for CFD fundraising expenses out of their state budget and request reimbursement from CFD. The SOS will reimburse agencies for CFD fundraising expenses. Fundraising expenses must not exceed fundraising receipts for each fundraising event.

<u>Action by:</u>	<u>Procedure</u> <u>Action:</u>
Campaign Leader/Coordinator	Receives a reimbursement for CFD fundraising expenses from his/her agency.
Agency Fiscal Office Staff	Prepares an invoice (A-19) for SOS of all fundraising expenses paid by a state agency or higher education institution. Please include the appropriate SWV number to use for payment. This includes reimbursements of petty cash funds. Send invoices to CFD. All receipts and appropriate backup documentation must be attached.
CFD Manager	Approves agency invoices for fundraising expenses and forwards them to SOS Financial Services.
SOS Financial Services	Reimburses agencies for fundraiser expenses.

The following resources are available on the CFD website to assist you in requesting a reimbursement:

- CFD Reimbursement Process
- Invoicing for Reimbursement
- Form A 19-1A Invoice Voucher

### **CFD May Fund CFD Petty Cash Accounts Within Agencies**

Depending on the need, the CFD may fund CFD Petty Cash Accounts within state agencies or institutions. CFD Petty Cash Accounts may only be used for CFD fundraising costs. Establishment of CFD petty cash accounts is subject to OFM approval. Once approved, the SOS will issue petty cash funds as needed to participating state agencies and higher education institutions.

## Petty Cash Account Requests

<u>Action by:</u>	<u>Procedure</u>
CFD Campaign Leader	Sends a request to fund the CFD petty cash account to the CFD Office, PO Box 40250, Olympia, WA 98504-0250. Please be sure to obtain approval from your agency's fiscal office first.
CFD Program Manager	Reviews the request to fund a petty cash account, including the approved limit, and Approves or Disapproves.  <i><b><u>If approved</u></b></i> , requests the SOS Financial Services office to seek OFM approval.  <i><b><u>If approved</u></b></i> , requests the SOS Financial Services office to generate a petty cash warrant.  <i><b><u>If disapproved</u></b></i> , notifies the requesting agency or institution.
SOS Financial Services	Generates a CFD petty cash warrant.
Agency Fiscal Office Staff	Establishes a CFD petty cash account and deposits petty cash funds. <ul style="list-style-type: none"><li>• For petty cash deposited into the State Treasury: Deposit receipts into your agency's Account 525</li><li>• For cash receipts deposited into local funds: Deposit receipts into your OFM-approved local fund.</li></ul>

*Additional Resources are available on the CFD Website  
under the VOLUNTEERS tab at the top of the page:*

***<http://www.cfd.wa.gov/volunteers/VolunteersIndex.html>***